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COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2012-AH-0020

DEPARTMENT OF FINANCIAL INSTITUTIONS — COMPLAINANT

vs.

ANGEL ROSE ENERGY, LLC; CODY C. HEER; and SUSANA LOJAN HEER — RESPONDENTS

AGREED ORDER

* * * * * * * * * * * * * *

STATEMENT OF FACTS

1. The Department of Financial Institutions ("DFI") is the public agency of the Commonwealth of Kentucky charged with the enforcement of KRS Chapter 292, the Kentucky Securities Act ("the Act").

2. Angel Rose Energy, LLC ("Angel Rose") is an issuer of securities in the form of oil and gas programs. Angel Rose is operated by its two (2) owners and principals, Cody C. Heer and Susana Lojan Heer ("the Heers"). The Heers and Angel Rose (collectively, "Respondents") conduct this business from the Heers' residence located at 169 Winners Circle, Glasgow, Kentucky 42141.

3. Pursuant to KRS 292.340, it is unlawful for any person to offer or sell any security in this Commonwealth unless the security is either registered, exempt from registration or is a covered security under the Act.

4. As the result of a meeting with Respondents conducted on January 11, 2011 as well as an investigation arising therefrom, the DFI discovered that Respondents had offered and sold interests in at least six (6) oil and gas programs, none of which were registered, exempt, or covered securities under the Act.

5. Pursuant to KRS 292.500(14), the Commissioner may impose a fine of up to twenty thousand dollars ($20,000) for each violation of the Act, and an additional twenty thousand dollars ($20,000) if the violation is directed toward an individual sixty (60) years of age or older.

6. In this case, the DFI has imposed a fine against Respondents, jointly and severally, in the amount of five thousand dollars ($5,000.00) for the violations described herein.

AGREEMENT AND ORDER

The DFI and Respondents, in the interest of economically and efficiently resolving the violations described above, agree, and it is hereby ORDERED, as follows:

1. Respondents are assessed, jointly and severally, a fine in the amount of five thousand dollars ($5,000.00).

2. Respondents shall pay the total fine assessed herein of five thousand dollars ($5,000.00) n a single installment, which shall be due by the date Respondents sign the Agreed Order and return it to the DFI, but in no event later than March 5, 2012. The payment shall be made payable to "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn: Michael T. Davis, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601.

3. Respondents shall devote the time and resources necessary to ensure continual and full compliance with all applicable statutory requirements set forth in the Act and the regulations set forth in 808 KAR Chapter 10.

4. Any failure by Respondents to comply with any provision of this Agreed Order may result in further administrative action taken by the DFI.

5. Respondents waive the right to demand a hearing at which Respondents would be entitled to legal representation, to confront and cross examine witnesses and to present evidence on their own behalves, and further waive the right to otherwise appeal or set aside this Order.

6. Respondents consent to and acknowledge the jurisdiction of the DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

7. In consideration of execution of this Agreed Order, Respondents for themselves, and for their successors and assigns, hereby release and forever discharge the Commonwealth of Kentucky, the DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Respondents ever had, now have, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

8. By signing below, the parties acknowledge they have read the foregoing Agreed Order, know and fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties.

9. This Agreed Order shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 7th day of March, 2012.

CHARLES A. VICE
COMMISSIONER

Consented to:

This 6 day of MARCH, 2012.

Shonita Bossier, Director
Division of Securities
Department of Financial Institutions

This 2 day of March, 2012.

Cody C. Heer, individually and as representative
of Respondent Angel Rose Energy, LLC

This 2 day of March, 2012.

Susana Lojan Heer, individually and as representative
of Respondent Angel Rose Energy, LLC

ACKNOWLEDGEMENT

STATE OF Kansas)
COUNTY OF Barton)

On this the 2nd day of March, 2012, before me Morris County, the undersigned, Cody C. Heer, individually and as Member and authorized representative of Angel Rose Energy, LLC, did personally appear and enter into and execute the foregoing instrument for the purposes therein contained.

Likewise, on this the 2nd day of March, 2012, before me Morris County, the undersigned, Susana Lojan Heer, individually and as Member and authorized representative of Angel Rose Energy, LLC, did personally appear and enter into and execute the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

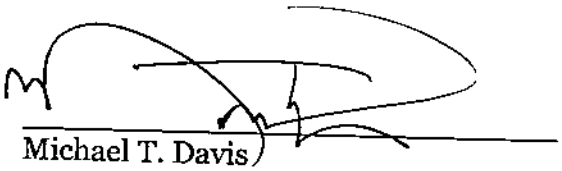
My Commission Expires: 08/17/2015

Notary Public

Certificate of Service

I, Michael T. Davis, hereby certify that a copy of the foregoing Agreed Order was sent on this the 7th day of March, 2012, by certified mail, to the following:

Randall S. Strause
Hectus & Strause, PLLC
804 Stone Creek Parkway, Suite 1
Louisville, Kentucky 40223
Counsel for Respondents



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